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06D

ARIZONA CORPORATION COMMISSION

February 7, 2005

Arizona Corporation Commission DOCKETED

Mr. Ronald D. Standage Tonto Village Water Company, Inc. P.O. Box 9116 Mesa, Arizona, 85214

FEB 0 7 2005

DOCKETED BY

RE:

TONTO VILLAGE WATER COMPANY – APPLICATION FOR A RATE INCREASE, DOCKET NO. W-01580A-04-0672

THIRD LETTER OF DEFICIENCY

Dear Mr. Standage:

In reference to your rate application received on September 16, 2004, and amended on November 22, 2004, and January 7, 2005, this letter is to inform you that your application has not met the sufficiency requirements as outlined in Arizona Administrative Code R14-2-103.

Staff has found a deficiency with your application, which is listed on a separate attachment. The 30-day sufficiency determination period will begin anew when the Company corrects the deficiencies and Docket Control receives an original and sixteen copies of the corrected pages.

You have 15 calendar days, or until February 22, 2005, to correct the deficiencies or make other arrangements with Staff to remedy your rate application. If the corrections or other arrangements are not made by the above date, Staff will request your docket number be administratively closed. Docket Control will retain one copy of the original application for Commission records. You may file an original and sixteen copies of an updated application at a later date.

The Staff person assigned to your application is Charles R. Myhlhousen. He can be reached at (602) 542-0863, or toll free at (800) 222-7000, if you have any questions or concerns.

Sincerely,

AZ CORP COMMISSION DOCUMENT CONTROL

2005 FEB -7 P 3: 42

RECEIVED

James J. Dorf
Chief, Financial & Regulatory Analysis Section

Utilities Division

an

CC: Docket Control Center (sixteen copies)
Lyn Farmer, Hearing Division
Delbert Smith, Engineering
Consumer Services
Legal Division

Tonto Village Water Company, Inc. Docket No. W-01580-04-0672 Test Year Ended December 31, 2003

Listing of Deficiency (2/07/2005)

1. The company has not submitted a letter showing two separate cost statements for the cost of hiring a certified operator that meets the Arizona Department of Environmental Quality criteria. These salary costs should be shown on a monthly and yearly basis.